

MILWAUKEE JOURNAL (WI)
6 August 1985

Jury selection goes on for Rewald in Hawaii

Special to The Journal

Honolulu, Hawaii — Jury selection was to continue Tuesday in the federal fraud trial of former Milwaukee sporting goods dealer Ronald R. Rewald, who is accused of bilking some 400 investors out of millions of dollars in a scheme that he says the CIA was involved in.

Rewald, 43, sat quietly during the jury selection that began Monday. Rewald is charged in a 98-count indictment with convincing investors from Hawaii and Wisconsin to pump \$22 million into his bogus investment company, Bishop, Baldwin, Rewald, Dillingham & Wong.

Rewald, who attended South Division High School in Milwaukee and the Milwaukee Institute of Technology, now MATC, claims the CIA set up and ran his company.

The government may call up to 177 witnesses, many of them people who invested money in Bishop, Baldwin, Rewald, Dillingham & Wong. Rewald's attorneys expect to call about 70 witnesses.

Federal prosecutors claim that Rewald exploited minor ties to the CIA as part of a scheme to attract investments.

When the company collapsed in July 1983, after Rewald attempted suicide, investigators discovered that millions of dollars had been spent to finance Rewald's extravagant lifestyle.

Rewald claims that his lifestyle was part of his CIA cover that enabled him to meet powerful international figures.

In an affidavit sealed by the courts under the Classified Information and Procedures Act, Rewald claims his roots with the CIA go back to his college days. According to the affidavit, Rewald was recruited by the CIA to try to infiltrate radical student groups at the University of Wisconsin — Madison.

He later attempted to run a chain of sporting goods stores. In 1976, however, he was charged with illegally selling a franchise and eventually pleaded no contest to petty theft. He filed for bankruptcy in 1976 and, a year later, moved to Hawaii.



Ronald R. Rewald

Prosecutors claim Rewald then solicited investments from relatives and friends in Wisconsin to keep two sporting goods stores in Hawaii going. That eventually led to the formation of Bishop, Baldwin, Rewald, Dillingham & Wong and the solicitation of more investments.

CIA officials have admitted the agency used Rewald's company as a mail drop but deny it conducted agency work out of it.

It will be up to the jury to decide whether Rewald purposely defrauded investors or whether he was merely working for the CIA.